



# THE MARKETING MEMO

**August 2008**

**Marketing Branch**

**Division of Marketing Services**

**California Department of Food and Agriculture**

**1220 N St., Sacramento, CA 95814**

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## **PROGRAM ISSUES**

### **KIWIFRUIT COMMISSION SELECTS NEW EXECUTIVE DIRECTOR:**

The California Kiwifruit Commission and the federal Kiwifruit Administrative Committee embarked earlier this summer on a search for a management firm to manage both programs. The California Apple Commission currently provides management services for the Kiwifruit Commission but elected not to bid on the combined management position.

The Commission/Committee Oversight Committee met on August 29 and selected the California Grain and Feed Association to provide management services beginning September 1, 2008. Chris Zanobini will serve as Executive Director for both the State Commission and the Federal Committee.

### **PEPPER COMMISSION CONTINUED:**

Pepper producers and pepper handlers recently voted in favor of continuing the operation of the California Pepper Commission for another five years. Of those voting, 84% of the producers and 91% of the handlers voted in favor of the Commission's continuation. The Pepper Commission conducts production research and is funded by an assessment on all California pepper producers and pepper handlers. The Pepper Commission has been operating since 1989. For additional information, please contact Dennis Manderfield here at the Marketing Branch.

### **DAIRY COUNCIL CONTINUATION HEARING CONDUCTED:**

On August 5, the Marketing Branch conducted a public hearing regarding the continuation of the Dairy Council of California. Such a hearing is required every five years. All of the testimony submitted for the hearing, both written and oral, supported the program's continuation. The Marketing Branch intends to complete its hearing findings in early September.

### **HAPPY COW SCRATCHERS:**

On July 1, 2008 the State Lottery and the California Milk Advisory Board began a new relationship that put 'Happy Cows' on lottery tickets. The cross promotion allowed the Lottery to use the Happy Cows' names and images as well as the Real California Milk logo on a version of scratcher tickets that sells for \$1 each. 25 million tickets were printed and were distributed to over 15,000 locations across the state, with point of sale materials accompanying the tickets to the lottery sales locations. CMAB staff says that this activity has met with an enthusiastic response across the state.

### **ASIAN CITRUS PSYLLID:**

Citrus greening, also known as huanglongbing (HLB) or “yellow dragon” is one of the most serious citrus diseases in the world. It is a bacterial disease that reduces production, destroys the economic value of fruit, and can kill trees in a matter of years. The disease was first confirmed in the United States in Florida in September 2005, about seven years after the initial Florida discovery of the Asian citrus psyllid. It spread to most of Florida’s citrus-producing counties in a matter of months, and state agricultural officials have given up hope they can eradicate it or the Asian citrus psyllid.

The Asian citrus psyllid has been confirmed in three locations in Tijuana, Mexico, only 1.9 miles from the California border. The psyllid can transport the citrus greening pathogen from infected trees to healthy trees as they feed on the plant. They must be infected to spread the disease. Citrus greening can also be transmitted by grafting diseased budwood. The disease is bacterial so it cannot be spread by wind or rain or through contact with contaminated personnel or tools.

So far, CDFA officials have not detected the psyllid or the greening bacteria here in California.

### **CALIFORNIA CITRUS RESEARCH BOARD PUBLIC HEARING:**

The Marketing Branch has called a public hearing for consideration of proposed major amendments to the California Citrus Research Program. The hearing is set for Thursday, September 18, 2008 beginning at 10:00 am at the Tulare County Agricultural Building Auditorium in Tulare.

The proposed major amendments would add Article 5.5 – Pest and Disease Control to the California Citrus Research Marketing Order and amend existing Article 6 – Budgets and Rates of Assessment. This proposed amendment would increase the maximum assessment rate allowable under the Program’s Marketing Order.

The reason for the increase in the assessment rate is to fund more research to combat the Asian citrus psyllid. This psyllid, if infected with a disease called huanglongbing or HLB, also known as citrus greening, is lethal to citrus, reducing yields and killing trees in a matter of years.

<b><i>ADMINISTRATIVE ISSUES</i></b>
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### **NEW BRANCH AG ECONOMIST:**

The Branch is pleased to announce the addition of a new Program Liaison. His name is Joe Monson and he joined the Branch in July.

Joe received his Master’s degree in Agricultural Economics from Virginia Tech in May of this year. His Master’s Thesis analyzed the market potential of berry production in Virginia and was primarily focused on identifying opportunities for farmers to transition into alternative market outlets.

Joe grew up in the Reno, Nevada area and received his undergraduate degree in Agricultural Economics from the University of Nevada, Reno.

Joe has already attended several program business meetings with Branch staff and will continue to do so for a few more months before being assigned programs of his own. He is also working on a new, expanded orientation seminar for new Program Executives and senior managers to be put on by the Division of Marketing Services starting this fall.

**FALL MARKETING PROGRAM EXECUTIVE MEETING:**

The Secretary is calling for another Executive's meeting in October. The meeting will once again be held at the Farm Bureau in Sacramento. We will be presenting the recently developed Audit Manual as well as the recommendations received from the Advertising Review Committee. Please let us know which dates have the best availability for you to attend this important meeting. A survey is attached to this Marketing Memo. Please fill out the survey and return to Beth Jensen by September 5 to help us select the most appropriate dates for a strong turnout. If you have any questions, please contact Bob Maxie or Beth Jensen of the Marketing Branch at (916) 341-6005.

**MILEAGE REIMBURSEMENT RATE FOR TRAVEL:**

The Department of Personnel Administration has recently made a change related to mileage reimbursement rate for use of a personal vehicle. This change will be effective July 1, 2008.

Employees who use their personal vehicle for authorized State business may claim mileage reimbursement at the rate of 58.5 cents per mile (CPM). In addition, newly hired employees and current State employees, who incur mileage expenses associated with a State approved relocation, will be reimbursed at 27 CPM.

These rate increases reflect a change in the Internal Revenue Services' (IRS) published mileage reimbursement rates. Future increases/decreases to the State reimbursement rates will be directly tied to any subsequent changes to the rates published by the IRS.

**SPECIALTY CROP BLOCK GRANTS \$2.8 MILLION IN FUNDING AVAILABLE:**

Secretary A.G. Kawamura has announced that \$2.8 million in federal Specialty Crop Block Grant Funds will now be awarded on a competitive basis to qualified applicants.

The \$2.8 million is the combined amount from two different grants from the United States Department of Agriculture (USDA), with two different solicitation rounds. The process and guidelines for both rounds of grants are the same. Anyone who applies and meets the USDA criteria will be considered, and applicants may apply for both grants.

CDFA will be soliciting two-page concept papers and then notifying those applicants who have been selected to turn in full proposals. Based on availability of funds, final proposals will be sent to USDA for final review and approval. Grant awards will range from \$50,000 to \$125,000 per project.

Round II—\$1.2 Million Total Funds Available

Funds available through the pre-existing Specialty Crop Block Grant legislation

Project: CFDA #10.169

Concept Proposal Due: Tuesday, October 14, 2008

Full Proposal Due Date: Tuesday, November 18, 2008

Anticipated Date of Award: January 2009

Applications will be awarded under the following areas: Trade Enhancement and Innovation; Nutrition and Food Security/Food Safety; Agricultural Education and Outreach; Environmental Concerns/Conservation; and Plant Pest and Health Problems.

For further instructions, information and to download the application, visit [www.cdfa.ca.gov/grants](http://www.cdfa.ca.gov/grants). For more information, contact the Federal Funds Management Office at 916-657-3231 or at [grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov).

### **LAWSUIT UPDATE CHART:**

We have attached a table providing a summary of the cases currently facing California marketing programs and a brief update of where they are in the process. If you have any questions, please contact Jeanne Wexler at this Branch.

### **TABLE OF DUE DATES:**

As a reminder of upcoming due dates, we are providing the following Table. Please call your Economist/Analyst at 916-341-6005 if you have any questions.

<b>TABLE OF DUE DATES</b>		
<b>Item</b>	<b>Applies To:</b>	<b>Due Date</b>
<b>Quarterly Contract Report</b>	Marketing Orders, Agreements and Councils	<b>Qtr 2, 2008</b> (January-March 2008) <b>Qtr 3, 2008</b> (July-September 2008) <b>Was Due: July 31, 2008</b> <b>Due: October 31, 2008</b>
<b>Ethics Training</b>	Marketing Orders, Agreements and Councils	Members must complete the training in the time frames below and submit the certification to their marketing program executive: <ul style="list-style-type: none"> <li>• New members: within six months of assuming their position.</li> <li>• Continuing members: every two calendar years.</li> </ul> <b>Program Executives must retain the signed original certificates. A list of board members and alternates with the dates they completed the orientation, must be sent to Beth Jensen of the Marketing Branch</b>
<b>Member Lists</b>	Marketing Orders, Agreements, Councils, and Commissions	As soon as possible after any changes. Please be sure to include individual contact information: addresses, phone numbers and e-mail addresses.
<b>Financial Audits</b>	Marketing Orders, Agreements and Councils	Three copies due to Branch 30 days after completion.

### **GENERAL INFORMATION**

#### **MARKETING PROGRAM AND MARKETING BRANCH JOB ANNOUNCEMENTS:**

We routinely include notices of job openings in the Marketing Memo for openings with the California marketing programs and other agricultural organizations. Please contact Beth Jensen at 916-341-6005, or via e-mail at [bjensen@cdfa.ca.gov](mailto:bjensen@cdfa.ca.gov) to include information in this section.

#### **MARKET ENFORCEMENT ADVISORY:**

Attached is the Market Enforcement Advisory Notice for June 2008. If you have questions regarding the notice, please contact the CDFA Market Enforcement Branch at 916-341-6276.